

CITY OF HORSESHOE BAY

Ordinance No. ORD 08-02-19A

EXHIBIT A

Schedule of Services and Rates

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1. Definitions.

For purposes of this Schedule, the following words or terms shall have the following meanings:

- 1.0** City Council -- The governing body of the City elected by the registered voters within the City's boundaries in accordance with the applicable election laws.
- 1.1** Applicant -- A person, corporation, organization, government or governmental subdivision or agency, business trust, estate, trust, partnership, association, or any other legal entity applying for service with the City.
- 1.2** Commercial Unit -- Shall mean and include all units which are defined by the City as commercial including, but not limited to, any industry, office building, hotel, motel, retail store, clubhouse, warehouse, service station, church, school, or other establishment rendering a service or offering products for sale to the public.
- 1.3.** Customer -- Shall mean the person or any legal entity responsible for paying for services of the City. The customer may be a builder, an owner, or a lessee of a residential, commercial, industrial structure.
- 1.4** Delinquent Bill -- Shall mean a bill for City services which has not been paid by the due date shown on the monthly bill.
- 1.5.** Deposit -- A non-interest bearing fee as set by the City Council which is held by the City as security for water and sewer service being rendered.
- 1.6.** Developer -- Any person, partnership, cooperative corporation, corporation, agency, or public or private organization who subdivides land or requests two (2) or more water or sewer service connections on a single contiguous tract of land [as defined in Chapter 13.2502 (e)(1) of the Water Code].
- 1.7.** City -- As used herein shall mean the City of Horseshoe Bay, located in Llano and Burnet Counties whose business office address is #1 Community Drive, P.O. Box 7765, Horseshoe Bay, Texas 78657-7765, telephone (830) 598-8741, and fax (830) 598-8744, e-mail at city@horseshoe-bay-tx.gov, or our website at www.horseshoe-bay-tx.gov.
- 1.8.** City's Sewer System -- The sanitary sewer collection, disposal, and treatment facilities, whether owned or contracted, operated by the City and any sanitary sewer system or sewer extensions which may be built within the City in the future.
- 1.9.** City's Water System -- The water production, treatment, and distribution facilities, whether owned, contracted, or operated by the City and any water system extensions or improvements which may be built within the City in the future.
- 1.10.** Duplex Residential Unit -- A detached residential use building that has two separate, individual living quarters with separate exterior entrances.
- 1.11.** Easement -- A perpetual right-of-way dedicated to the City for the installation of water

(and sewer) pipelines and necessary facilities which allows access to property for future operation, maintenance, facility replacement, facility upgrades, and/or installation of additional pipelines for both service to a customer/applicant and system-wide service. This may also include restrictions on the adjacent area to limit the installation of sewer lines or other facilities that would restrict the use of any area of the easement. The City maintains and occasionally updates a standard easement which must be provided prior to service to a new customer or new service connection.

- 1.12.** Final Plat -- A complete and exact plan for the subdivision of a tract of land which has been approved by all regulatory agencies having jurisdiction over approval of the design, planning and specifications of the facilities of such subdivision.
- 1.13.** Grinder Pump System -- The individual lift stations located at each commercial building or residence which are owned and maintained by the City as part of the City's Low Pressure Sewer System. The Grinder Pump Station includes a pump, a tank, controls, a control panel, valves, piping, electric wiring and related facilities. City will be responsible for the maintenance of all grinder assembly components except owner's yard line from the property line to the connection outside of the basin.
- 1.14.** Hazardous Condition -- A condition that jeopardizes the health and welfare of the customers of the City as determined by the City or any other regulatory authority with jurisdiction.
- 1.15.** Irrigation Unit Connection -- Shall mean those connections used exclusively for irrigation which cannot be connected to provide household water.
- 1.16.** Living Unit Equivalent -- A standardized measure of the consumption, use, generation or discharge of water or wastewater attributable to a single family residence, calculated in accordance with industry accepted engineering and planning standards for capital improvements and facilities expansions to serve new development.
- 1.17.** Master Meter -- A meter that serves two or more connections and is installed in accordance with the requirements set forth in Section 2.8.4. of this Order.
- 1.18.** Master Metered Account -- Shall mean one service line and one meter which may serve commercial and non-single family residential units. A Master Meter does not automatically relieve an Applicant of metering individual units that receive service. It is used for billing purposes for water usage of an apartment house, condominium, multiple use facility, manufactured home rental community, including common areas, common facilities, and dwelling units.
- 1.19.** Master Service -- Shall mean a connection or line tap serving a commercial enterprise or a non-single family residential Unit. A Master Service connection is for multi-unit applications. It may or may not be utilized in connection with a Master Meter depending on the application.
- 1.20.** Multifamily Residential Unit -- A residential use building or group of buildings that has five or more separate, individual living quarters.

- 1.21.** Quadraplex Residential Unit -- A detached residential use building that has four separate, individual living quarters with separate exterior entrances.
- 1.22.** Reconnect -- Shall mean those connections that were previously connected to the water and/or sewer service and subsequently disconnected either: (1) at the request of the customer; (2) for non-payment for City services; or (3) as deemed necessary by the City due to public health related issues; and then reconnected to water and/or sewer service: (1) when requested by the customer; (2) after payment of all fees, charges, and penalties owed; or (3) after resolution of all public health related issues.
- 1.23.** Residential Unit -- Shall mean and include all single family residences and all separate living units within a common property or building such as apartments, duplexes, town houses or condominiums which are not defined as commercial or irrigation units. Residential Units are further classified as Single Family, Duplex, Triplex, Quadraplex, and Multifamily.
- 1.24.** Services -- Shall mean any work or action performed by the City.
- 1.25.** Service Classification/Unit -- The type of water service required by an Applicant as may be determined by the City based on specific criteria such as usage, meter size, demand, type application, and other relevant factors related to the Applicant's request. The base unit of water (or sewer) service used by the City in facilities design and rate making in this Rate Order is a 5/8" X 3/4" water meter.
- 1.26.** Single Family Residential Unit -- A residential use building designed to be occupied by a single household living together and sharing common kitchen and bathroom facilities.
- 1.27.** Subdivide -- To divide the surface area of land into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)
- 1.28.** Subdivider -- An individual, firm, corporation, or other legal entity that owns any interest in land and that directly or indirectly subdivides land into lots as a part of a common promotional plan in the ordinary course of business. (Local Government Code Chapter 232, Section 232.021 Definitions)
- 1.29.** Subdivision -- An area of land that has been subdivided into lots or tracts. (Local Government Code Chapter 232, Section 232.021 Definitions)
- 1.30.** Temporary Service -- The classification assigned an applicant that is in the process of construction. This could also apply to service for uses other than permanent (agricultural, road construction, drilling, livestock, etc.). The City Council will set the length of time associated with this classification.
- 1.31.** Texas Commission on Environmental Quality (TCEQ) -- State regulatory agency having jurisdiction of water and sewer service utilities and appellate jurisdiction over the rates and fees charged by the City.

- 1.32.** Triplex Residential Unit -- A detached residential use building that has three separate, individual living quarters with separate exterior entrances.
- 1.33.** Out of City Service --Shall mean City services, both water, wastewater, and fire protection beyond the established City of Horseshoe Bay's official boundary

2. Water Service Rates and Conditions.

- 2.1** A Texas Commission on Environmental Quality assessment is applicable to retail water usage charges and is included in the charges shown following.
- 2.2** Monthly Rates for Each Active Meter or Unit (Residential, Commercial, and/or Irrigation). The Monthly Rate includes the Base Monthly Charge – BMC (Minimum Monthly Charge) and the Volumetric Charge (charge per 1,000 gallons). The BMCs are based on meter sizes, as listed in the following, with a higher charge for larger meters with a higher potential water supply capacity:

(a) 5/8" x 3/4" Water Meter	=	\$20.00 Base Monthly Charge
(b) 1" Water Meter	=	\$23.00 Base Monthly Charge
(c) 1 1/2" Water Meter	=	\$26.00 Base Monthly Charge
(d) 2" Water Meter	=	\$34.00 Base Monthly Charge
(e) 3" Water Meter	=	\$94.00 Base Monthly Charge
(f) 4" Water Meter	=	\$118.00 Base Monthly Charge
(g) 6" Water Meter	=	\$170.00 Base Monthly Charge

The \$20.00 Base Monthly Charge shall also apply to each Residential Unit within an apartment complex, condominiums, or other similar group of buildings utilized for residential living quarters, regardless of the actual meter size or existence of a master meter.

2.2.1. Inside the City -- Single Family Residence and Multi-Family Classification:

- A.** Base Monthly Charge (depending upon the meter size), plus the Volumetric Charge...
- B.** \$0.00 per 1,000 gallons up to 5,000 gallons used (included in BMC);
- C.** \$2.50 per 1,000 gallons from 5,001 up to 10,000 gallons used;
- D.** \$3.00 per 1,000 gallons from 10,001 up to 25,000 gallons used;
- E.** \$3.50 per 1,000 gallons from 25,001 up to 50,000 gallons used;
- F.** \$4.00 per 1,000 gallons from 50,001 – 100,000 gallons used;
- G.** \$4.50 per 1,000 gallons from 100,001 gallons and over

For an apartment complex, condominium, or other similar group of buildings utilized for residential living quarters and billed via a master meter, the Volumetric Charge will be based on the number of Residential Units and the corresponding amount of water allowed per tier. For example, a complex with six units will receive 30,000 gallons with the BMC, and an additional 30,000 gallons at \$2.50 per 1,000 gallons, and an additional 75,000 gallons at \$3.00 per 1,000 gallons, etc.

2.2.2. Outside the City (Rates for Hills tracts #1, 3, 8, 9, 10, 12, 17, 24, 28, 32, 33, 36, 37, 38, and 46 are):

- A. Base Monthly Charge (depending upon the meter size) plus Outside Service Fee of \$10.00 per month, and plus the Volumetric Charge...
- B. \$0.00 per 1,000 gallons up to 5,000 gallons used (included in BMC);
- C. \$3.75 per 1,000 gallons from 5,001 up to 10,000 gallons used;
- D. \$4.50 per 1,000 gallons from 10,001 up to 25,000 gallons used;
- E. \$5.25 per 1,000 gallons from 25,001 up to 50,000 gallons used;
- F. \$6.00 per 1,000 gallons used from 50,001 up to 100,000 gallons used;
- G. \$6.75 per 1,000 gallons used from 100,001 gallons and over

2.2.3. Outside the City -- Rates for all other Hills tracts, Quail Ridge, Deerhaven and all other tracts outside the City:

- A. Base Monthly Charge (depending upon the meter size), plus Outside Service Fee of \$20.00, and plus the Volumetric Charge...
- B. \$0.00 per 1,000 gallons up to 5,000 gallons used (included in BMC);
- C. \$5.00 per 1,000 gallons from 5,001 up to 10,000 gallons used
- D. \$6.00 per 1,000 gallons from 10,001 up to 25,000 gallons used;
- E. \$7.00 per 1,000 gallons from 25,001 up to 50,000 gallons used;
- F. \$8.00 per 1,000 gallons from 50,001 up to 100,000 gallons used;
- G. \$9.00 per 1,000 gallons from 100,001 gallons and over

2.2.4. The above rates are applicable for builders prior to initial occupancy.

- 2.2.5.** All residential living units built after September, 2001 will be required to provide each unit with an individual water meter.

2.3 Inside Irrigation Rates apply to Meters utilized for irrigation purposes Inside the City:

- A.** Base Monthly Charge (depending upon the meter size), and the plus the Volumetric Charge...
- B.** \$3.50 per 1,000 gallons from 0 – 5,000 gallons
- C.** \$4.00 per 1,000 gallons from 5,001 – 10,000 gallons
- D.** \$4.50 per 1,000 gallons from 10,001 – 25,000 gallons
- E.** \$5.00 per 1,000 gallons from 25,001 – 50,000 gallons
- F.** \$6.00 per 1,000 gallons from 50,001 and over

2.3.1 A single meter (less than 2” in size) serving a commercial facility or a master meter (less than 2” in size) serving a commercial complex shall be within the “Commercial Classification” and be charged as follows:

- A.** Base Monthly Charge (depending upon the meter size), plus Outside Service Fee, and the Volumetric Charge...
- B.** \$2.53 per 1,000 gallons from 0 – 10,001 gallons used
- C.** \$3.04 per 1,000 gallons from 10,001 – 25,000 gallons used
- D.** \$3.64 per 1,000 gallons from 25,001 – 50,000 gallons used
- E.** \$4.37 per 1,000 gallons from 50,001 – 100,000 gallons used
- F.** \$5.24 per 1,000 gallons from 100,001 and above

2.3.2. A single meter (2” and larger) serving a commercial facility or a master meter (2” or larger) serving a commercial complex shall be within the “Large Commercial Classification” and be charged as follows:

- A.** Base Monthly Charge, depending on the meter size and including the 5,000 gallons per residential unit (if applicable), plus the Volumetric Charge.
- B.** \$2.50 per 1,000 gallons from 5,001 – 10,000 gallons used
- C.** \$3.00 per 1,000 gallons from 10,001 – 25,000 gallons used
- D.** \$3.50 per 1,000 gallons from 25,001 – 50,000 gallons used

E. \$4.00 per 1,000 gallons from 50,001 – 100,000 gallons used

F. \$4.50 per 1,000 gallons from 100,001 and above

All five (5) buildings of the Marriott Hotel shall be billed in the same manner as the multi-family units, for the water billing, as outlined in Section 2.2. and 2.2.1

2.3.3. Inactive Meter and Non-Metered Charges.

A. There is no inactive status available. All accounts will be charged the appropriate service charges.

B. A special "as needed" charge for tank lots of water for road contractors, builders, etc., will be \$20.00 per tank or \$5.00 per 1,000 gallons of usage, whichever is greater, as metered by the City. All temporary service water connections must be taken from a City approved backflow protected connection or site.

2.4. Reconnection Charges:

2.4.1. Residential and irrigation meters or units: \$50.00

2.4.2. Commercial meters or units: \$50.00

2.4.3. A reconnect charge shall be paid in full prior to reactivation of City services.

2.4.4. A charge of one-half of the applicable reconnect charge may be made for the temporary cut-off and/or cut-on of water service by the City due to extenuating circumstances such as adverse weather or circumstances beyond the reasonable control of the customer or the City.

2.5. Flow Test Charges. Meter accuracy will be maintained by the City to the industry standard of five percent (5%). Upon request, a customer may have his water meter tested, without charge, in his presence or in that of his authorized representative, at a convenient time to the customer, but during the utility's normal working hours. A charge not to exceed \$30.00 may be assessed for an additional requested test within two years of the first test if the additional test shows the meter to be accurate. A Flow Test will determine the variance between one hundred gallons flowed through the City's test meter and the volume of water measured by the customer's meter. If the Flow Test determines that the customer's meter accuracy is greater than five percent (5%) over/under that of the test meter, then customer's bill will be adjusted. If the customer's meter accuracy is within five percent (5%) of test meter, there will be no adjustment to the customer's water bill.

2.6. Customers Not Entitled to Specific Quantity or Pressure of Water.

2.6.1. Water customers are not guaranteed a specific quantity or pressure of water for any purpose whatsoever, and it is understood that the City is only to furnish a connection to the City's water system and is in no case to be liable for failure or refusal to

furnish water of any particular amount or pressure of water.

- 2.6.2.** After September 2001, the City will no longer install or maintain any pressure-reducing valve (PRV) on water connections. Customers will be responsible for monitoring and maintaining adequate pressure levels after the meter to ensure pressure within the customer's plumbing system does not exceed a pressure of eighty pounds per square inch (80 psi), in accordance with current International Plumbing Code.
- 2.6.3.** The City will inform the customer if they reside in a zone of high pressure requiring the installation of a pressure reducing valve, in accordance with International Plumbing Code, during the plan review process, or if City's water system pressure increases at their service connection.

2.7. Water Tap Charges.

- 2.7.1.** Residential units will be charged the following for each specific meter connection size [size of the meter will be determined by the City, based on the Plumbing Code and Irrigation Water Demands (Fixture Units, Landscape Area, etc.)].
- | | | |
|-----------|-------------------|------------|
| A. | 3/4" connection | \$1,138.00 |
| B. | 1" connection | \$1,231.00 |
| C. | 1-1/2" connection | \$1,474.00 |
| D. | 2" connection | \$1,716.00 |
- 2.7.2.** Water Meter Connections and Installations larger than those listed above will be charged for the total costs of labor, materials and equipment usage plus a 20% overhead.
- 2.7.3.** In addition to the connection charges, pro-rata fees, impact fees, capital recovery fees, or delinquent taxes that are linked to specific properties must be collected in full in order for a connection to be made.
- 2.7.4.** Should a customer request an upgrade in the size of the service, the customer will pay a minimum of the difference of the original connection cost and the newly requested connection cost or time and materials, whichever is greater.
- 2.7.5.** Relocation of service facilities on the same property shall be allowed by the City provided that:
- A.** An easement for the proposed location has been granted to the City; and
 - B.** The Customer pays the actual cost of relocation plus administrative fees.
- 2.7.6.** Temporary service water meters will be available for uses approved by the City. A

setup fee of \$75.00 will be charged to install and remove the meter from each location (only City employees may move meter from location). Water usage will be charged at the standard In-City rate schedule. A \$250.00 deposit will be required for installation of a temporary service meter and will be returned when service is terminated.

2.8. Water Service Connection to City's Water System.

2.8.1. An Applicant requesting service within the boundaries of the City shall be considered qualified and entitled to water (and/or sewer) utility service when proper application has been made, terms and conditions of service have been met, and continue to be met, and all fees have been paid as prescribed. An Applicant requesting service outside the City's boundaries or defined service area shall be considered for service in accordance with current City policies on providing service outside the City boundaries.

2.8.2. Application Procedures and Requirements. For the purposes of this Service Policy, service shall be divided into the following two classes:

A. Standard Service is defined as service on an existing pipeline where pipeline or service facility extensions are not required and special design and/or engineering considerations are not necessary. Typically, this would include a 5/8" X 3/4", 1", 1-1/2" or 2" sized water meter within 200 feet of the existing water mainlines or 1 1/2" to 2" sewer taps and sewer grinder installed or connected to collection lines no more than 36" in depth and within 200 feet of the existing sewer mainlines.

B. Non-Standard Service is defined as any service request which requires a larger meter service, service to a Master Metered Account (see section 2.8.4), or an addition to the supply, storage and/or distribution/collection system. The service requirements as prescribed by Section 16 of this Service Policy shall be required of the Non-Standard Service Applicant prior to providing service. A Service Investigation fee is required for non-standard service as defined in section 4.3.

2.8.3. The requirements for City Standard services are:

A. The City's Service Application and Agreement Form shall be completed in full and signed by the Applicant.

B. A Right-of-Way Easement Form, Sanitary Control Easement, or other such easement form, approved by the City, must be completed by the Applicant for the purpose of providing water and sewer service to the applicant and to allow for future facility additions.

C. There must be an individual metered water connection for each resi-dential unit and each commercial unit requiring water. (Certain exceptions have been granted to installations completed prior to May 28, 1981.)

(a) No more than one (1) residential, commercial, or industrial service connection is allowed per meter. The City may consider allowing an apartment building or mobile home/RV park to apply as a "Master Metered Account" and have a single meter (Referring to Section 2.8.4). Any unauthorized sub-metering or diversion of service shall be considered a Multiple Connection and subject to disconnection of service. If the City has sufficient reason to believe a Multiple Connection exists, the City shall discontinue service under the Disconnection with Notice provisions of this Schedule of Services and Rates.

D. Services to living units not tied physically to main residential structure, i.e., guest house, apartment, etc., will require a separate water meter and service connection.

E. The City will install individual meters in an apartment house, multiple use facility, or condominium on which construction begins after January 1, 2004, unless the City determines that installation of individual meters is not feasible. If the City determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of sub-meters or individual meters. The City shall be entitled to the payment of costs, including the costs of individual meter installations, as provided in Section 2.7. The cost of individual meter installation shall be prepaid by the property owner as well as the cost of any additional facilities or supply occasioned by the total water/sewer service demand represented by full occupancy of the property, as determined under applicable provisions of Section 2.7 & 2.8.

2.8.4. At an Applicant's request, the City shall consider a Master Service connection and Master metering for non-Single Family Residential Units. This does not relieve the requirement for individual metering of each Residential Unit by the Owner and applies only to tapping and connection fees. The City shall consider a Master Service connection and Master Metering for commercial units including apartments, condominiums, trailer/RV parks, or business centers and other similar type enterprises at an Applicant's request provided the total numbers of units to be served are all:

A. Owned by the same person, partnership, cooperative, corporation, agency, public or private organization of any type.

B. Directly inaccessible to public right-of-way, and

C. Considered a "for business" commercial enterprise.

2.8.5. Each structure within the City may be connected to the City's water or sewer system of the City as soon as the City has made available to such structure the plant and mainline capacity to serve same. If both water and sewer services do not become available at the same time, the customer may connect to the water system at the time

water service becomes available and to the sewer system at the time sewer service becomes available subject to inspection and approval of system by the City.

- 2.8.6.** No person other than City personnel and the City's properly authorized agents shall be permitted to tap or make any connection with any part of the City's water or sewer system, or make any repairs or alterations to any part of the system. Violators of this section will incur a charge of \$200.00 per violation plus a charge at current City rates for the estimated water usage. Failure to pay these charges within 30 days will cause the City to deny water, sewer and garbage services to the property of the entity or person responsible. Additionally, criminal charges may be filed by the City for tampering with a public water system, if deemed necessary by the City.
- 2.8.7.** The property of and the facilities at the service connection shall be inspected to insure compliance with state required Minimum Acceptable Operating Practices for Public Drinking Water Systems as promulgated by the Texas Commission on Environmental Quality or successor agency. The customer must, at his or her expense, properly install any backflow prevention device required by the City. (30 TAC 290.46(j)).
- 2.8.8.** All connections to the City water system must have plumbing systems in compliance with the current International Plumbing Code and the City's Cross Connection Control Plan.
- 2.8.9.** The provisions of the current International Plumbing Code shall apply to every plumbing installation, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings, and appurtenances, when connected to the City's water or sewage system.
- 2.8.10.** If at any time the City determines that the customer service demands have changed from those originally applied for to a different service classification and the City determines that additional or different facilities are necessary to provide adequate service, the City shall require the Customer to re-apply for service under the terms and conditions of this Schedule of Services and Rates. Customers failing to comply with this provision shall be subject to the disconnection with notice.
- 2.8.11.** Service will be provided in the utility easement on the customer's lot and it is the customer's responsibility to provide accurate location of the lot property pins for proper placement of utility services.

2.9 Meters: Title, Tampering, Maintenance, Setting.

- 2.9.1.** Title to all water meters and appurtenances, including the meter boxes enclosing same, shall vest in the City.
- 2.9.2.** No person other than a duly authorized agent of the City shall open the meter box, tamper, or in any way interfere with the meter box. Tampering with any City equipment, assembly or device that provides drinking water to the public is

considered a criminal felony offence and will be prosecuted as such if deemed necessary.

2.9.3. The City will maintain, repair and replace all meters and appurtenances in connection therewith at its cost. In the event such repairs are required as a result of damage by entities or persons, other than City personnel, the cost of the repairs will be charged to the responsible party. Failure to pay these charges will cause the City to deny water, sewer and garbage services to the property of the entity or person responsible or property owner where damage occurred.

2.9.4. All meters shall be set by employees or agents of the City.

2.9.5. As of September 2001, a valve must be installed on the customer side of the meter. Meter valves on the customer side of the meter may be operated by the customer or their agent. Meter valves on the City side of the meter may only be operated by the City employees. A charge equal to the City's expenses will be invoiced to the customer where the City is requested to turn on or off customer's water valves.

2.10. Meter and Boxes to be Free from Rubbish and Obstructions. After a meter has been set, the customer shall at all times keep the space occupied by the meter and the box free from rubbish or obstructions of any kind.

2.11. Inactive service. Inactive service will no longer be available after January, 2002.

3. Sewer Service Rates and Conditions.

3.1. A Texas Commission on Environmental Quality assessment is applicable to retail sewer service usage charges and is included in the charges shown following.

3.2. Monthly Rates for Residential Customers:

A. All residential service inside City - \$31.41 per month per unit

B. The residential rate will prevail for builders prior to initial occupancy.

3.3. Monthly Rates for Commercial Customers (meters smaller than 2" in size):

A. All commercial service inside City - \$31.41 per month per meter, which includes 5,000 gallons of water usage, and the applicable Volumetric Charge...

B. All over 5,000 gallons - \$4.00 per 1,000 gallons

C. Each commercial (tenant) having dedicated wastewater facilities connected to a common grinder pump system will be used as a factor (multiplier) to determine the total monthly sewer charges. For example, for inside the City Customers - six units (tenants) will be charged six fees, i.e., six (6) units x \$31.41 per month, and will be entitled to 30,000 gallons of wastewater, before being charged an additional rate of \$4.00 per 1,000 gallons.

- D.** Seven fixtures are defined as a set. Any number of fixtures, more than three, remaining after the total number of fixtures has been divided by seven, will be considered another set. For example, seventeen fixtures would be considered two sets, but eighteen fixtures would be considered three sets.
- E.** Each commercial account having more than one set of fixtures served by a single water meter will be charged a factor (multiplier) based on the number of sets to determine the total monthly sewer charges. For example, six sets equals 6 x \$31.41 per month, and will be entitled to 30,000 gallons of wastewater, before being charged an additional rate of \$4.00 per 1,000 gallons.
- F.** Irrigation meters are available and encouraged for commercial applications to reduce sewer expenses to actual sewer usage.

3.4. Monthly Rates for Large Commercial Customers (meters 2" and larger):

- A.** All Large Commercial inside City - \$31.41 per month per meter, which includes 5,000 Gallons of water usage, and the applicable Volumetric Charge...
- B.** All over 5,000 gallons - \$3.50 per 1,000 gallons.

3.5. RV'S:

3.5.1. Each tank dumped and rinsed:

- | | |
|--------------------------------|-----------|
| A. City sewer customers | No Charge |
| B. All others | \$20.00 |

- 3.5.2.** Domestic sewer dumping station is located at the City's recycling center at 301 FM-2831. Location is available during normal working hours Monday through Friday, except on City holidays.

3.6. Sewer Tap Charges:

- 3.6.1.** Residential units will be charged a \$748.00 tap fee for each standard 1 1/2" sewer grinder connection required where the collection line is immediately adjacent to the property to be served.
- 3.6.2.** Commercial units will be charged the greater of a minimum of \$748.00 tap fee for each standard 1 1/2" sewer grinder connection or total costs computed on the basis of actual costs of labor materials and equipment usage plus overhead.
- 3.6.3.** Service connection work outside of the scope of the stated connection size or requiring the extension of service line in excess of 200 feet from the existing sewer main shall be charged for on the basis of the total actual costs of labor, materials, and equipment usage plus overhead. This work, if compliant with City

specifications, may also be performed by a utility contractor approved by the City.

3.7. Sewer Service Connection to City System.

3.7.1. Requirements for Mandatory Sewer Connection. – Effective January 1, 2004, the installation of any private on-site wastewater treatment or holding facility on property within the City's boundaries which is less than 300 feet, (measured from boundary line of the property to the nearest point of the City's sewer collection system along a public right-of-way or utility easement) is prohibited and service to any such property will be provided by the City. (Note: This does not apply to any person who has installed an on-site wastewater holding or treatment facility if that on-site facility was installed prior to effective date of January 1, 2004. Any costs for connection to the City's wastewater collection system in excess of the standard costs required under Section 3.5 must be paid for by the wastewater service applicant. The City must review and approve plans and specifications for any connection prior to construction (Texas Water Code 49.234; 30 TAC 293.113.).

3.7.2. All non-household sewer customers who have potential for dirt, grit, sand, grease, oil, or similar substances must install and maintain a trap ahead of their entrance to the City's sewer collection piping. The City may impose other site-specific requirements. All sewer and potable water service pipeline installations on private property must applicable plumbing standards (International Plumbing Code) for separation distances and crossings, etc.

3.7.2.1. Requirements for Traps:

3.7.2.1.1. Discharges to the City's sewer system requiring a trap include but are not limited to:

3.7.2.1.1.1. grease or waste containing grease in amounts that will impede the operation of the grinder pump system or stop the flow of public sewers;

3.7.2.1.1.2. oil, flammable wastes;

3.7.2.1.1.3. sand, and other harmful ingredients.

3.7.2.2. Any person responsible for discharges requiring a trap shall, at his own expense, and as required by the City:

3.7.2.2.1. Provide equipment and facilities of a type and capacity approved by the City;

3.7.2.2.2. Locate the trap in a manner that provides ready and easy accessibility for cleaning and inspection; and

3.7.2.2.3. Maintain the trap in effective operating condition.

3.7.2.3. Approving Authority Review and Approval:

- 3.7.2.3.1.** If pretreatment or control is required, the City shall review and approve design and installation of equipment and processes.
- 3.7.2.3.2.** The design and installation of equipment and processes must conform to all applicable statutes, codes, ordinances and other laws.
- 3.7.2.3.3.** Any person responsible for discharges requiring pretreatment, flow equalizing or other facilities shall provide and maintain the facilities in effective operating condition at his own expense.
- 3.7.2.3.4.** Service shall be discontinued without further notice when installations of new facilities or repairs of existing facilities are found to be in violation of this Section 3.6 until such time as the violation is corrected.

3.7.3. Excluded Flow and Waste

- 3.7.3.1.** No waste material, which is not biologically degradable, will be permitted to be discharged into the City's facilities, including mud and debris accumulated during service line installation or construction of private facilities.
- 3.7.3.2.** No industrial wastes other than domestic sewage shall be discharged into the City's sewer system unless approved in writing by the City Council. No toxic wastes, wastes which would damage the collection and treatment facilities or wastes which would interfere with the waste treatment process shall be discharged into the City's sewer system.
- 3.7.3.3.** Industrial wastes shall not be diluted by unnecessary use of process water, or by adding unpolluted water, before discharging into the City's sewer system. No unpolluted cooling water shall be discharged into the City's sewer system.
- 3.7.3.4.** No downspouts, yard or street drains, or gutters will be permitted to be connected into the City's sewer system.
- 3.7.3.5.** No ground water drains, foundation drains, or other subsurface drains shall be connected in the City's sewer system.

3.7.3.6. No effluent drains from existing and/or abandoned septic tanks or field lines will be permitted to remain in service.

3.7.4. The General Manager must approve extensions of sewer services in non-sewer areas within City. All related expenses will be the responsibility of the requesting customer. Upon completion of the sewer extension, a prorata reimbursement fee will be developed based on related expenses. Prorata fees will be assessed only to those lots that are adjacent to the prorata extension and will be collected upon payment of sewer tap fees. The City will reimburse the prorata fees to the customer who initially paid for the extension of the prorata extension.

3.8. Sewer Grinder Charges.

3.8.1. Grinder Pump System Materials Charges:

3.8.1.1. Each residential and commercial unit served by the City's sewage system must be equipped with a sewer grinder pump system approved, furnished and owned by the City as part of the sanitary sewer system.

3.8.1.2. There are several types of sewer grinder pump systems serviced by the City. Depending on the capacity and pressure requirements as determined by the City, they are as follows:

3.8.1.2.1. Single grinder pump systems required for each single-family residence servicing a mobile home with two baths or less. (Low pressure/Low capacity unit)
Price: \$2,040.00

3.8.1.2.2. Single grinder pump systems required by each single family residence and each living unit of a duplex family residence servicing less than two full baths. (High pressure/Low capacity unit)
Price: \$2,434.00

3.8.1.2.3. Single grinder pump systems required by each single family residence and each living unit of a duplex family residence servicing four full baths or less. (Low pressure/Moderate capacity unit)
Price: \$2,263.00

3.8.1.2.4. Single grinder pump systems required by each single family residence and each living unit of a duplex family residence servicing more than two full baths. (Low pressure/High capacity)
Price: \$2,320.00

3.8.1.2.5. Single grinder pump systems required by each single family residence and each living unit of a duplex family residence

servicing more than two full bath. (High pressure/Low capacity)

Price: \$2,279.00

3.8.1.2.6. Single grinder pump systems required by each single family residence and each living unit of a duplex family residence servicing more than two full bath. (High pressure/High capacity unit)

Price: \$2,413.00

3.8.1.2.7. Duplex grinder system required by multifamily complexes and commercial units as follows:

3.8.1.2.7.1. Multifamily complexes require one (1) duplex system for each group of eight (8) living units or part thereof.

3.7.1.2.7.2. Commercial units or complexes require a minimum of one (1) duplex system and a duplex system for each group of forty (40) internal sewer drain connections or part thereof.

Prices: Low Pressure: \$3,605.00

High Pressure: \$3,790.00

3.7.1.2.7.3. Custom designed sewer grinder systems and/or grease traps and pre-treatment systems may be required at the discretion of the City based on requirements not adaptable to (1) and (2) above.

3.8.2. Sewer grinder system materials charges are due and payable at the time such material is required for installation. No material will be released until the applicable charges are paid in full.

3.8.3. Initial installation of each grinder pump system is the responsibility of the owner/builder in accordance with the requirements of the City and applicable State and Local codes. Grinder control panels must be located exterior to any building to be accessible to City employees for service purposes. Final inspection and approval by a City employee or representative is required to obtain sewer collection service. Inspection of grinder pump systems will be performed by the City personnel only after required checklist is returned to City office. Additional inspections required due to systems not meeting City specifications will be charged at actual cost to the City to ensure compliance.

3.8.4. Electrical service for operating the sewer grinder(s) shall be provided by the customer through a dedicated 240 volt 30 ampere circuit breaker which has no other connections either external or internal to the grinder control panel.

3.8.5. The City will provide all maintenance and repairs for sewer grinders after the installation has been approved for service. All costs for maintenance services,

including the pressure side connection and grinder pump replacements, are included in the monthly rate for sewer service. With the exception of those grinders that are damaged due to negligence of the owner and in those cases the owner will be required to reimburse the City for all related costs. Maintenance of the line from the property line to the grinder is the responsibility of the property owner. Any grinder pump system installed and not in compliance with City standards and specifications is subject to charges required to bring it up to compliance in addition to inspection fees, with charges to be paid by Customer.

4. Application for Installation of Water Meters and Sewer Connections.

4.1. Every person or legal entity desiring the installation of a water meter or a water meter and sewer connection must execute the City application and service agreement for same. A check or money order in the amount due for the work requested must accompany the application. No water meter or sewer connection shall be granted until all outstanding charges, including taxes owed by the party or contractor desiring service, are paid in full. Said outstanding amounts owed the City apply not only to the specific property for which outstanding charges are applicable, but for any and all property in the City owned by the contractor and the owner of the property seeking City service.

4.2. Classes of Users -- All users of the City's water and/or sewer services shall be classified as either: Standard or Non-Standard service, as further defined in Section 2.8.2 of this Schedule of Services and Rates. Either class of users may be further classified into sub-classes according to residential or commercial by which service is provided.

4.3. Service Investigation Fee. The City shall conduct a service investigation for each service application submitted to the City. An initial determination shall be made by the City, without charge, as to whether the service request is Standard or Non-Standard. An investigation shall then be conducted and the results reported under the following terms:

4.3.1. All Standard Service requests shall be investigated without charge and all applicable costs for providing service shall be quoted in writing to the Applicant within ten (10) working days of application.

4.3.2. All Non-Standard Service requests shall be subject to a fee appropriate to each project, of sufficient amount to cover all administrative, legal, and engineering fees required by the City to:

4.3.2.1. provide cost estimates of the project,

4.3.2.2. develop detailed plans and specifications as per final plat,

4.3.2.3. advertise and accept bids for the project,

4.3.2.4. execute a Non-Standard Service Contract with the Applicant,

4.3.2.5. provide inspections to ensure that the project meets all applicable City Codes, Ordinances, and requirements, and

4.3.2.6. provide other services as required by the City for such investigation.

4.4. When the City determines that dedicated easements and/or facilities sites are necessary to provide service to the Applicant, the Applicant shall be required to make good faith efforts to secure the necessary easements and/or sites in behalf of the City and/or pay all costs incurred by the City in validating, clearing, and retaining such easements or sites in addition to tap fees otherwise required pursuant to the provisions of this Service Policy. The costs may include all legal fees and expenses necessary to attempt to secure such easements and/or facilities sites in behalf of the City.

4.5. In the event of replat, the owner(s) will be responsible for the relocating of the water/sewer service and/or hold the City harmless for any maintenance of same.

4.6. New water or sewer service requests for services outside of the City's service area are addressed in Section 15 of this Rate Order.

5. Payment of City Tap Charges. Water and sewer tap charges, as well as any prorata sewer main or other required charges, are due and payable upon application or on receipt of City's billing for same. In no instance will the City provide water to the premises until water and/or sewer tap and installation charges are paid in full.

6. Deposit to Secure Payment for Service.

6.1. Certain applications for water and/or sewer service must be accompanied by a non-interest bearing security deposit as follows:

6.1.1. A \$150.00 deposit is required for all residential units. However, if service is discontinued twice in any twelve-month period for nonpayment of billings, the City may increase the amount of deposit.

6.1.2. A \$150.00 deposit is required for all commercial connections. However, the City may increase the amount of deposit to any new or existing commercial unit if service is discontinued for nonpayment of billings. Any increased amount would be based on the customer's average billings for the previous six (6) month period.

6.1.2.1. A \$250 deposit for temporary meter (see section 2.7.6.).

6.1.3. The required deposit will be returned to the customer in full less any charge due the City for water, sewer or other charges when the customer terminates service. No interest will be paid on deposits. For long term account holders of the City, on a case by case basis and solely at the discretion of the General Manager, or the General Manager's Designee, a new deposit fee may be waived by the General Manager if, in the judgment of the General Manager, the applicant has a positive past record with the City, the applicant's current account is in good standing, and the applicant has a good payment record with the City. Solely at the discretion of the General Manager, a long term account may include those who make payment directly to the City through an association as long as the criteria set forth above is met.

7. Monthly Rates for Garbage Collection Service:

7.1. Each residential unit and each commercial complex will be billed for garbage collection service whether or not such service is utilized. A single commercial complex comprised of several units under common ownership providing a common function, i.e., a hotel or motel, will be considered as one unit in garbage collection only rate application. Commercial complexes comprised of diverse ownerships and uses will be charged consistent with service provided in a manner approved by the City and the customer.

7.2. State and City sales tax is applicable to garbage collection services. This tax will be added to the charges shown following:

7.3. Residential Service:

7.3.1. All living units with one pick up per week: \$16.78 per month

7.4. Commercial Service:

7.4.1. Dumpster Size	1 Time per wk	2 Times per wk	3 Times per wk	4 Times per wk
1 st 2 Cubic Yards	\$137.58	\$208.84	\$280.12	\$351.22
Each Additional	\$115.80	\$172.80	\$229.83	\$286.72
1 st 3 Cubic Yards	\$155.18	\$236.99	\$318.43	\$400.05
Each Additional	\$129.88	\$195.33	\$260.48	\$325.78
1 st 4 Cubic Yards	\$171.06	\$262.84	\$354.79	\$446.56
Each Additional	\$142.59	\$216.01	\$289.57	\$362.98
1 st 6 Cubic Yards	\$177.65	\$316.11	\$428.56	\$541.18
Each Additional	\$147.85	\$258.62	\$348.52	\$438.68
6 Yard Compactor	\$446.68	\$672.18	\$886.68	\$1,100.68

7.4.2. Minimum Monthly Charge per Unit

7.4.2.1.	Commercial Hand Pick Up Services (cans only – maximum of 3)	
	Minimum Monthly Charge per Unit at	
	1 x per week	\$26.67
	2 x per week	\$44.81
7.4.2.2.	Polycart Service (90 gallons) at	
	2 x per week	\$49.98
	Each additional	2 x per week
	(90 gallon polycart service is provided for 2 x per week service only)	\$39.96
7.4.2.3.	Roll-off/Compactor Hauling (per Haul)	
	42 Cubic Yard Compactor Container (per haul)	\$743.68

40 Cubic Container (per haul)	\$578.68
Monthly Rental of Compactor	\$413.68
Monthly Rental of Container	\$413.68

7.5. Garbage Collection, Services and Policies.

- 7.5.1.** When water service commences for a customer, either residential or commercial, garbage collection and assessment for such service, whether used or not, will also be placed into effect. This provision does not apply to new residential or commercial units until utilized for a beneficial purpose such as occupancy, selling, rental, leasing, etc.
- 7.5.2.** When water service is discontinued, for whatever reason, sewer and garbage service and charges also cease.
- 7.5.3.** A commercial establishment which generates mainly paper as a refuse may pay the minimum commercial rate if it uses cans for storage for refuse and no more than three cans are used during a week.
- 7.5.4.** Rocks, waste scrap, bricks, roofing, building materials, or other trash resulting from construction or major remodeling (including carpeting) will not be removed from the premises by the garbage collector or allowed to be disposed of at the City's garbage compactor/recycling center.
- 7.5.5.** All brush and large trimmings cannot exceed three inches (3") in diameter nor more than five feet (5') in length. Leaves and clippings and small brush are to be placed in bags, cardboard containers or garbage cans. Trees, brush and limbs must be bundled and tied.
- 7.5.6.** Illegal waste (combustible items such as gasoline, oil, paint, chemicals, etc.) will not be picked up. Scrap iron, car motors, and heavy metals will not be hauled away. Automobile and vehicle tires are considered illegal items at the landfill and will not be picked up or allowed to be disposed of at the City's garbage compactor/recycling center
- 7.5.7.** When garbage is placed in garbage bags or other similar containers and animals tear open the bags and scatter the refuse before being picked up, the garbage will not be picked up under those circumstances.
- 7.5.8.** A trash compactor will be stationed at the City's Recycling Center for those residents leaving town before the pick up date. Garbage must be in plastic bags and taken to the compactor at the Recycling Center and disposed of between 8:00 A.M. to 12:00 P.M. and 1:00 P.M. to 4:00 P.M., seven (7) days a week, (and until 6:00 p.m. on Sunday) except on posted City Holidays (the Recycling Center will be open on Monday Holidays, except for Christmas). This facility will only be available to City customers that pay a garbage fee.
- 7.5.9.** Any violation of (7.5.4.), (7.5.5.), (7.5.6.), (7.5.7.) or (7.5.8.) above will result in a

letter from the City advising the customer that the violation must be corrected or all utility services to the customer will be discontinued.

- 7.5.10.** Unless modified by action of the City of Horseshoe Bay, in conjunction with its designated Solid Waste Contractor, Garbage pick up for residential units will be as follows: Monday for Horseshoe Bay Proper, North, and South and Tuesday for Horseshoe Bay West, Pecan Creek, Applehead, Applehead Island, Bay Country, Siena Creek, Escondido and The Trails of Lake LBJ

8. Grounds Maintenance Waste Service.

- 8.1.** Restricted to organic matter not exceeding six (6) inches in diameter resulting from grounds maintenance activities by customers of City utilities.

- 8.2.** This service is not subject to sales tax.

8.2.1. Horseshoe Bay Resort \$500.00 month

8.2.2. Annual Permit Fee \$50.00

8.2.2.1. Pickup per Load \$5.00

8.2.2.2. Trailer per Load \$10.00

- 9. Emergency Medical Services Charges for Ambulance Service.** As of October 1, 2002, the City has relinquished all Emergency Medical Services to Llano County Emergency Service District #1 and the Burnet County Emergency Service District #1.

- 10. No Reduced Rates or Free Service.** All customers receiving service from the City shall be subject to the provisions of this order and shall be charged the rates established in this order. No reduced rates or free service shall be furnished to any such customer (profit or nonprofit) for any service of the City.

- 11. Discontinuing Service for Failure to Pay Bills When Due or in the Event of Abandonment of Property.**

- 11.1.** City shall have the right to discontinue service and cut off the supply of water to a customer in accordance with Paragraph 13 after any City charge becomes delinquent. In addition to payment of all delinquent charges a customer shall pay in advance for restoring water and sewer service where such service has been discontinued because of the customer's failure to pay a delinquent bill.

- 11.1.1.** When a property has been determined by the City to be abandoned the water and sewer service connections will be inactivated. Reactivation requires that the individual or entity requesting service pay all City charges incurred against said property in addition to the appropriate reconnect fee if no change in service configuration is required. If service changes are requested, payment of tap fee(s) and any other related expenses will be required.

12. Penalty for Failure to Pay Bill Before Delinquent.

- 12.1.** Bills are mailed within the first ten days of each month. The City is not responsible for delays in delivery by the Post Office. A bill not paid in full by the due date shown on the bill will be considered delinquent.
- 12.2.** A ten percent (10%) penalty is added to the unpaid balance of the bill on the day after the due date.
- 12.3.** Delinquent accounts are subject to termination of services. The service termination date is approximately twenty (20) days after the due date. The termination notice will be included on the monthly billing statement. No other notice will be required.
- 12.4.** A \$25.00 charge will be assessed to all accounts which are paid with a check charged back against the City's deposit account due to insufficient funds. Any customer who has more than two (2) checks returned due to insufficient funds in a twelve-month period will be placed on a cash only basis.
- 12.5.** A \$25.00 charge will be assessed to all accounts on the automatic debit feature which have payments charged back against the City's deposit account due to insufficient funds. Any customer who has more than two (2) charge-backs in a twelve-month period will be removed from the automatic debit status and placed on a cash only basis.
- 12.6.** Penalties for late payment of taxes are consistent with Chapter 33 of the Texas Property Tax Code. Therefore, delinquent taxes incur a penalty of six percent (6%) of the amount of the base charge for the first calendar month they are delinquent plus one percent (1%) for each additional month or portion of a month the taxes remain unpaid prior to July 1 of the year in which it becomes delinquent. However, a tax delinquent on July 1 incurs a total penalty of twelve percent (12%) of the delinquent charge without regard to the number of months the charge has been delinquent. Further, a delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month the charge remains unpaid. All persons receiving tax billings shall be notified that charges not paid within the time prescribed above shall bear the additional late payment charges for penalty and interest. When the City contracts with an attorney for the collection of delinquent taxes, fifteen percent (15%) of the total base charges, plus penalty, and interest will be added to defray costs of collection.
- 12.7.** Pursuant to Sec. 32.01 and Sec. 32.05 of the Texas Property Tax Code and Sec. 50.056 of the Texas Water Code the taxes, penalties and interest due for real property are secured by a lien against the property that attaches each January 1. This statutory lien on real property takes priority over a homestead interest in the property.
- 12.8.** If taxes are not paid within six (6) months after the delinquent date action will be taken to restrict or terminate the provision of water service in accordance with Sec. 54.204 of the Texas Water Code; provided, however that at least 45 days prior to the date service shall be restricted or terminated, the City shall mail a notice by certified or registered mail to the last known address of the customer notifying such party of the action to be taken and advising customer to contact the City's General Manager who may cancel the termination if payment

is received or if it is determined the customer's account is not delinquent.

- 12.9.** The exercise of the City's right and power to sue to collect payment for charges and any late payment charge of penalty or interest due thereon shall be cumulative of all other rights of the City, including particularly, the right to refuse service to any lot or parcel until all such charges and any late payments due, have been paid in full.

13. Inspection of Rate Schedule and Open Records Law.

- 13.1.** A correct copy of the Schedule of Service Rates shall be kept in the City's office and made available during regular business hours for inspection by any person.
- 13.2.** Upon written request, the General Manager, as custodian of public records of the City, will make requested material available under the terms and conditions of the Open Records Act. No original material may leave the office for any purpose.
- 13.3.** In order to limit the interruption in regular work procedures, material requested for use in the office or copies of material will normally be available in 24 hours and not more than three (3) working days, if the amount of material requested is not excessive. The custodian will advise the person making the request, in writing, a day when the requested material will be available. Only items, which are completed, will be furnished.
- 13.4.** If the custodian of public records questions whether or not the material requested is public in nature, he shall have a maximum of ten days after receiving the request in which to request a decision from the Attorney General.

- 14. Out of City Service.** It is the general policy of City Council to provide any services to areas outside the current boundaries of the City only by annexation. Annexation will be at the discretion of the City Council and no guarantee of annexation is implied. At the discretion of the City Council, the City may enter into contracts with other political subdivisions of the State of Texas to provide services.

15. Developer, Subdivision And Non-Standard Service Requirements.

- 15.1.** City's Limitations. All Applicants shall recognize that the City must comply with local, state, and federal rules and regulations as promulgated from time to time, and with covenants of current indebtedness.
- 15.2.** Purpose. It is the purpose of this Section to define the process by which the specific terms and conditions for service to subdivisions and other kinds of Non-Standard Service are determined, including the Non-Standard Service Applicant's and the City's respective costs. The Applicant must be the same person or entity that is authorized to enter into a contract with the City setting forth terms and conditions pursuant to which Non-Standard Service will be furnished to a property or subdivision.
- 15.3.** Application of Rules.

15.3.1. This Section is applicable to subdivisions, additions to subdivisions,

developments, or whenever additional service facilities are required for a single tract of property. Examples of Non-Standard Services for a single tract of property include, but are not limited to, road bores, extensions to the City's water or sewer system, service lines exceeding 2" diameter and service lines exceeding 200 feet. For the purposes of this Service Policy, applications subject to this section shall be defined as Non-Standard. The General Manager of the City shall interpret, on an individual basis, whether or not the applicant's service request shall be subject to all or part of the conditions of this Section.

15.3.2. This Section sets forth the general terms and conditions pursuant to which the City will process Non-Standard Service Requests. The specific terms and conditions pursuant to which the City will provide non-standard service in response to any request will depend upon the nature of such request and may be set forth in a legally enforceable, contractual agreement to be entered into by the City and the service Applicant. The agreement may not contain any terms or conditions that conflict with this Section.

15.4. Non-Standard Service Application. The Applicant shall meet the following requirements prior to the initiation of a Non-Standard Service Contract by the City:

15.4.1. The Applicant shall provide the City a completed Service Application and Agreement giving special attention to the item(s) on SPECIAL SERVICE NEEDS OF THE APPLICANT.

15.4.2. A final plat approved by the City must accompany the application showing the Applicant's requested service area. The plat must be approved by all governmental authorities exercising jurisdiction over lot sizes, sewage control, drainage, right-of-way, and other service facilities. Plans, specifications, and special requirements of such governmental authorities shall be submitted with the plat. Applicants for single taps involving extension or upsizing of facilities shall be required to submit maps or plans detailing the location of the requested extension and details of demand requirements.

15.4.3. A Non-Standard Service Investigation Fee shall be paid to the City in accordance with the requirements of Section 4.3 for purposes of paying initial administrative, legal, and engineering fees. The City shall refund any balance that remains after it has completed its service investigation, and has completed all legal and engineering services associated with processing a request. In the event such a fee is not sufficient to pay all expenses incurred by the City, the Applicant shall pay to the City all remaining expenses that have been, or will be incurred by the City and City shall have no obligation to complete processing of the request until all remaining expenses have been paid.

15.4.4. If after the service investigation has been completed, the City determines that the Applicant's service request is for property located, in whole or in part, outside the area described in the City's defined service area, service may be extended provided that:

- 15.5.** Design. Upon receipt of the signed service application and Investigation Fee, the City shall study the design requirements of the Applicant's required facilities prior to initiation of a Non-Standard Service Contract by adopting the following schedule:

define the terms of service prior to construction of required service facilities. The service contract may include, but is not limited to:

15.6.1. All costs associated with required administration, design, construction, and inspection of facilities for water/sewer service to the Applicant's service area and terms by which these costs are to be paid.

15.6.2. Procedures by which the Applicant shall accept or deny a contractor's bid, thereby committing to continue or discontinue the project.

15.6.3. Terms by which the City shall administer the Applicant's project with respect to:

15.6.3.1. Design of the Applicant's service facilities;

15.6.3.2. Securing and qualifying bids;

15.6.3.3. Execution of the Service Agreement;

15.6.3.4. Selection of a qualified bidder for construction;

15.6.3.5. Dispensing advanced funds for construction of facilities required for the Applicant's service;

15.6.3.6. Inspecting construction of facilities; and

15.6.3.7. Testing facilities and closing the project.

15.6.4. Terms by which the Applicant shall indemnify the City from all third party claims or lawsuits in connection with the project.

15.6.5. Terms by which the Applicant shall deed all constructed facilities to the City and by which the City shall assume operation and maintenance responsibility, including any enforcement of warranties in connection with construction of the Applicant's project.

15.6.6. Terms by which the Applicant shall grant title or easement for right-of-ways, constructed facilities, and facility sites and/or terms by which the Applicant shall provide for the securing of required rights-of-way and sites.

15.6.7. Terms by which the City Council shall review and approve the Service Contract pursuant to current rules, regulations, and bylaws.

15.6.8. Agreement to enforceable remedies in the event applicant fails to comply with all contract obligations, including specific performance.

15.6.8.1. The City and the Applicant must execute a Non-Standard Service Contract prior to the initiation of construction of facilities by the Applicant. In the event that the Applicant commences construction of any such facilities prior to

execution of a Contract with the City, then the City may refuse to provide service to the Applicant (or require full costs of replacing/repairing any facilities constructed without prior execution of a contract from any person buying a lot or home from Applicant), and/or require that all facilities be uncovered by the Applicant for inspection by the City, and/or require that any facilities not approved by the City be replaced, or take any other lawful action determined appropriate by the City Council.

- 16. Property and Right-of-Way Acquisition.** With regard to construction of facilities, the City shall require right-of-way easements or property dedicated to the City as per the following conditions:
- 16.1.** If the City determines that right-of-way easements or facility sites outside the Applicant's property are required, the Applicant shall secure easements or title to facility sites in behalf of the City. All right-of-way easements and property titles shall be researched, validated, and filed by the City at the expense of the Applicant.
 - 16.2.** All costs associated with facilities that must be installed in public right-of-ways on behalf of the Applicant, due to the inability of the Applicant to secure private right-of-way easements, shall be paid by the Applicant. Alternatively, the Applicant shall pay all costs, including legal and other professional fees, and the condemnation award in the event City secures such private easements or facility sites through eminent domain proceedings.
 - 16.3.** The City shall require an exclusive dedicated right-of-way on the Applicant's property (as required by the size of the planned facilities and as determined by the City) and title to property required for other on-site facilities.
 - 16.4.** Easements and facilities sites shall be prepared for the construction of the City's pipeline and facility installations in accordance with the City's requirements and at the expense of the Applicant.
- 17. Bids for Construction.** The City's Consulting Engineer shall advertise for bids for the construction of the Applicant's proposed facilities in accordance with generally accepted practices. Plans and specifications shall be made available, with or without charge, to prospective bidders. Although the City reserves the right to reject any bid or contractor, the City shall generally award the contract to the lowest and best bidder in accordance with the following criteria:
- 17.1.** The Applicant shall sign the Service Contract noting willingness to proceed with the project and shall pay all costs in advance of construction associated with the project;
 - 17.2.** The Contractor shall provide an adequate bid bond under terms acceptable to the City;
 - 17.3.** The Contractor shall secure adequate performance and payment bonding for the project under terms acceptable to the City;
 - 17.4.** The Contractor shall supply favorable references acceptable to the City;
 - 17.5.** The Contractor shall qualify with the City as competent to complete the work; and

- 17.6.** The Contractor shall provide adequate certificates of insurance as required by the City.
- 18.** Pre-Payment for Construction and Service. After the Applicant has executed the Service Agreement, the Applicant shall pay to the City all costs necessary for completion of the project prior to construction and in accordance with the terms of the Non-Standard Service Contract.
- 19.** Construction.
- 19.1.** All roadwork pursuant to state, county and/or municipal standards (as applicable) shall be completed prior to facility construction to avoid future problems resulting from road right-of-way completion and excavation. Subject to approval of the requisite authority, road sleeves may be installed prior to road construction to avoid road damage during construction of Applicant's facilities.
- 19.2.** The City shall, at the expense of the Applicant, inspect the facilities to ensure compliance with City standards.
- 19.3.** Construction plans and specifications shall be strictly adhered to, but the City reserves the right to change-order any specifications, due to unforeseen circumstances during the design phase, to better facilitate construction or operation of the Applicant's facility. All change-order amounts shall be charged to the Applicant.
- 20.** Service within Subdivisions. The City is not required to extend retail utility service to an Applicant in a subdivision where the responsible party (Applicant/Developer) of the applicable property (subdivision) has failed to comply with the terms of this Service Policy. The Applicant is responsible for paying for all costs necessary for non-standard service to a subdivision as determined by the City under the provisions of this Service Policy and specifically the provisions of this Section; if the Applicant fails to pay these costs, the City has the right to require payment of these costs by any one or more of the persons purchasing lots within such subdivision before the City is obligated to provide water/sewer service. In addition, City may elect to pursue any remedies provided by the Non-Standard Service Contract. Applicant is advised that purchasers of lots also may have legal recourse to the Applicant under Texas law.
- 21.** Enforcement. This rate order is enacted after careful consideration and study on the part of the City to insure that fair, adequate and equitable rates and charges are fixed for the City's facilities and services to all customers. If any portion of this rate order should ever be determined to be invalid or non-enforceable by a court of competent jurisdiction, the City Council declares that the remaining portions shall remain in full force.
- 22.** Customer Service and Protection.
- 22.1.** It is the policy and mission of the City to provide quality services on a timely basis at a fair price to all customers. The organization responsible for carrying out this mission is comprised of a six person City Council, approximately 58 full time employees and an average of 15 volunteers. Any of those persons are willing to discuss customer service in the context of their work responsibilities.

The physical address of the City's business office is #1 Community Drive. The mailing address is P.O. Box 7765, Horseshoe Bay, Texas 78657. The telephone number is (830) 598-8741 and the fax number is (830) 598-2977.

- 22.2.** As a political subdivision of the State of Texas and a taxing authority, the City is regulated by the authority and rules of the Texas Commission on Environmental Quality and the Comptroller of Public Accounts and, of course, all applicable Federal, State and County laws. The primarily significant authorities and rules are found in the Texas Administrative Code Title 31 Natural Resources & Conservation and Title 34 Public Finance, Texas Water Code Chapters 50 & 54 and Texas Local Government Code. Complete copies of these Codes are maintained and available for review in the City office.
- 22.3.** All the laws, regulations and standards applicable to the construction, maintenance, and operation of the facilities used in the provision of City services are for the purpose of protecting the safety, health, and well being of the customers and general public being served.
- 22.4.** Comments, concerns, and suggestions are solicited and will be responded to on a timely basis.